



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 15, 2006

James Hill
741 Bittle Lane
Moab, Utah 84532

Subject: Reclamation Surety and Reclamation Contract, James W. Hill, Mystery Mine,
S0190034, Grand County, Utah

Dear Mr. Hill:

On December 8, 2006, the Director of the Division of Oil, Gas and Mining signed the reclamation contract for the Mystery Mine Notice of Intention to Commence Small Mining Operations (NOI), file number S0190034. A copy of the executed reclamation contract/surety is enclosed for your records. This action has made it possible for your existing reclamation surety to be in place with the Division; however, you should note that there may be a deficiency in your surety/bond amount that needs to be rectified.

The NOI says the disturbed area is two acres. The average reclamation surety cost estimate for small mines is \$5400 for the first acre and \$3300 for subsequent acres for a total of \$8700 for a two-acre site. The Division recognizes that your site may require more or less reclamation work compared to an "average" site, so it may be possible to reduce, or necessary to increase, the amount of surety required. At the next opportunity, a Division representative will visit the site and determine, in cooperation with the School and Institutional Trust Lands Administration, whether a change in the surety is needed.

If you have questions or concerns regarding this letter, please contact me at 801-538-5325 or Paul Baker at 801-538-5261. Thank you for your help in completing this very important regulatory requirement.

Sincerely,

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:PBB:pb
Enclosure: Copy of RC/surety
cc: Will Stokes, SITLA
P:\GROUPS\MINERALS\WP\M019-Grand\S0190034-Mystery\final\app-def-12142006.doc



EDWARD T. ALTER, CPA
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ROBERT C. KIRK
CHIEF DEPUTY STATE TREASURER

CHRISTINE M. BRANDT
STATE INVESTMENT OFFICER

December 15, 2006

Ms. Beth Ericksen
Division of Oil, Gas & Mining
1594 W North Temple, Suite 1210
PO Box 145801
Salt Lake City, UT 84114

Dear Ms. Ericksen:

I hereby certify that as of December 6, 2006, James W. Hill has deposited with the Utah State Treasurer cash or securities valued at \$2,000.00 and described as follows:

Interest bearing escrow account # held at Zions First National Bank

The above described securities have been deposited and assigned to the Utah State Treasurer as a Reclamation Surety as required by Section 40-8-14 Utah Code Annotated, and will be held by the Utah State Treasurer until release is requested by the Division of Oil, Gas & Mining.

Sincerely,

Coleen Hackwell
Financial Analyst

☒ APPROVED

Attachment A
S/019/034
Mystery - ML 45846
\$2,000.00